

# Utilization of Human Resource Assets

## Diversity & Inclusion

### Policy and Concept

With the declining birthrate and growing proportion of elderly people as well as a declining workforce, effectively using a workforce that includes women and senior citizens is more important than ever before. In addition, as customer needs diversify, we believe contributing to the provision of services from an even broader point-of-view and greater decision making relates to providing high-quality services.

Tokyo Tatemono upholds the realization of a satisfying working place where employees can feel their growth in the Human Resource Policy, and it is building an environment where diverse human resources can feel motivated while dedicating themselves to their job free from obstacles. Moreover, through the participation of a variety of human resources, we aim to provide services that respond to more sophisticated and diversified customer needs.

### System

The Tokyo Tatemono Personnel Division links the departments in charge of administration at each Group Company to promote various measures in the Tokyo

Tatemono Group and supports these measures horizontally across the Group so that diverse human resources can continually grow free from obstacles.

### Index and Performance

#### Female Employment Rate/Female Management Rate

Index	December 2015	December 2016	December 2017
Female employee rate	21%	26%	27%
Female management rate	2%	3%	3%

#### Employment Rate of Persons with Disabilities

Index	June 2015	June 2016	June 2017	December 2017
Employment rate of persons with disabilities	2.06%	1.88%	1.98%	2.10%

### Promotion of Women to Take Active Roles

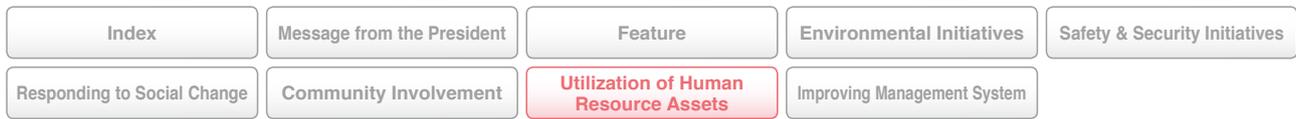
Tokyo Tatemono is working to build a workplace and appoint diverse human resources as a way to fully drive the potential of the individual skills and personalities of women as well as their ambition.

In December 2017, our female employment rate was 27%, which increased six points from 2015.

As systems for maintaining careers with flexibility to life events when building a women-friendly workplace progress,

we have established a re-employment program for employees who have resigned due to pregnancy, childbirth, child rearing, and nursing care in addition to a policy to accompany a spouse who is transferred overseas.

Employees who have resigned to accompany a spouse transferred overseas are also able to take advantage of the re-employment policy for employees who have resigned.



## Promotion of Seniors to Take Active Roles

Tokyo Tatemono has introduced a re-employment policy for employees at retirement age so that employees who have reached the age of 60 can take active roles by leveraging their career up to that point. In addition, the Personnel Division consults with employees who have put off retirement and works so that they can leverage the career they have built up to that point to take an active role in-line with their desire to work based on a life plan for each and every person.

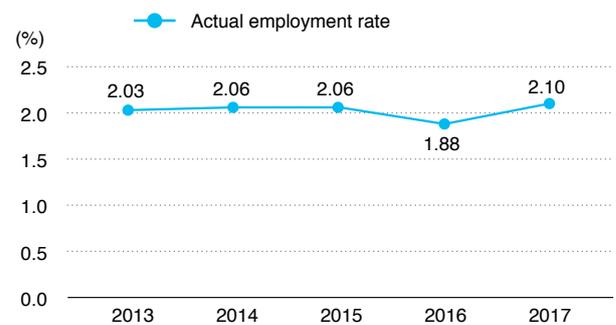
### Re-employment Status of Employees at Retirement Age

	Employees at retirement age	Re-employment	
2017	12	11	92%
2016	4	3	75%
2015	6	4	67%
2014	5	3	60%
2013	6	4	67%

## Promotion of People with Disabilities to Take Active Roles

Tokyo Tatemono put in place a Committee on the Employment of Physically Disabled in 1993 and actively strives to employ people with disabilities. We have prepared a system in which people with disabilities will have long-term stable employment, such as assigning them to the most appropriate department, conducting regular consultations with the Personnel Division, and setting working hours considering the level of disability. The actual employment rate of persons with disabilities was 1.98% as of June 2017 when we submitted notification to the Ministry of Health, Labour and Welfare and 2.10% as of the end of the year. Furthermore, we are fulfilling the number of people with disabilities who are required to be employed under the Act for Promotion of Employment of Persons with Disabilities.

### Trends in the Employment Rate of People with Disabilities



## Work-Life Balance

### Policy and Concept

Realizing a work-life balance and increasing productivity have become important issues in the sustainable development of employees and companies amidst concerns about issues of long working hours and mental health grow. The Tokyo Tatemono Group is conducting initiatives to improve health based on the Group Health Management Declaration.

### Tokyo Tatemono Group Health Management Declaration

The corporate philosophy of Tokyo Tatemono is "Trust beyond the era," which incorporates our will to strive for the growth of the company and the creation of a prosperous society, taking pride in the trust placed in us that extends over a century. To embody this corporate philosophy, we believe the health of our executives and employees as well as their families is vital. We see mental and physical health of executives and employees as the source of sustainable corporate growth and actively promote activities for each and every person to maintain and improve their health. I will strengthen environment to achieve this as the chief executive officer in charge of health management, and I vow that we will endeavor in health management unified as a Group.

Hitoshi Nomura  
President and Chief Executive Officer  
Tokyo Tatemono Co., Ltd.

### System

We have established Health Committee made up of members from the Personnel Division, industrial physicians, and representatives from each office. The Health Committee generally convenes once a month for the purpose of improving standards of occupational health in

the workplace and encouraging employees to maintain and improve their health.

Moreover, we are working to maintain and improve health throughout the entire Group through exchange between Tokyo Tatemono Group companies.

### Index and Performance

#### Number of paid leave days taken

	2013	2014	2015	2016	2017	2020 Target
Average number of paid leave days taken	8.8	8.6	8.8	8.7	8.8	30% increase compared to 2015 (11.4 days)

\*Other leave systems such as summer leave and national holidays are also provided (these days are not included in the above figures)

#### Rate of Health Check-ups

	2013	2014	2015	2016	2017	2018 Target
Rate of health check-ups	100%	100%	100%	100%	100%	100%

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## Health Management Initiatives

Tokyo Tatemono is conducting various initiatives based on the Group Health Management Declaration.

### ● Third-party Evaluation of Health Management

Our sincere efforts toward health were evaluated and received the highest rank in 2014 for distinguished initiatives with the health considerations of employees in the DBJ Health Management Rating run by the Development Bank of Japan.

In February 2018, we were recognized under the Certified Health and Productivity Management Organization Recognition Program (White 500), a program in which the Ministry of Economy, Trade and Industry certifies companies practicing excellent health management, for the second consecutive year.



### ● Health Improvement Initiatives

Tokyo Tatemono aims to have a check-up rate of 100% for periodic health examinations, and is advancing initiatives to raise greater awareness in all employees about health management (100% rate is sustained since 2011). We coordinate with health insurance associations to conduct a wide range of initiatives for improving health management. We promote support to help people quit smoking and have introduced a measure that gives mementos to smokers who have successfully quit smoking. We also understand the health risk attributes of employees in addition to actively engaging in preventative measures against severe illnesses for non-obese and young people not eligible for special screenings with the purpose of improving health through preventative and early-term treatment. We also introduced group dental check-ups in 2017 as part of our efforts in health management.

As daily health measures, we are strengthening support to maintain the health of employees by ensuring that the costs required for voluntary health management such as physical examinations, various cancer screenings, medical treatment, pharmaceuticals, and health management programs are covered in the Welfare Cafeteria Plan\*. We had also been subsidizing the cost for influenza vaccines up until recently, but we have strengthened the prevention of mass infection during the influenza season by inviting physicians to the company to provide vaccinations from 2016.

\*This plan assigns a set number of points to each employee and they can individually choose a menu of their own within the set number of points. This provides a benefit of being able to put together a menu suitable to individual health needs.

### ● Mental Health Initiatives

Tokyo Tatemono conducts stress tests through an online service every year for all of its employees to properly and easily grasp the stress levels of each employee. In addition, we are providing mental health counseling via health insurance associations and these counseling services have been made available to employees who have unstable mental health. We started linking to psychiatric advisors in 2016 and have put in place a support system that includes return to work training. As mental health enlightenment activities, we are conducting training in self-care and employee care overseen by line managers, and newly appointed managers in particular are required to participate in the training for employee care overseen by line managers (100% attendance rate). We invite sports trainers as lecturers for new employees and conduct training all employees participate. We understand the importance of mental health for all of our employees and strive in the early diagnosis and prevention of mental health problems.

**CSR Website Feature: Health Management Ensuring Results (Published 2017)**

[www.tatemono.com/csr/special/healthcare.html](http://www.tatemono.com/csr/special/healthcare.html)  
(Available in Japanese Only)

**TOPICS**

**Eight Tatemono Group Companies Certified Excellent Under the Health and Productivity Management Organization Recognition Program**

Tokyo Tatemono and seven other Group companies have been certified as excellent under the Tokyo Association, National Federation of Health Insurance Societies' Health and Productivity Management Organization Recognition Program and received the Silver recognition.

The Program certifies companies that have vowed to work to improve health as a whole organization (corporate health declaration) and that have satisfied certain results thereafter. Silver is only awarded to companies that receive 80 or more points in the evaluation. Only about 237 companies out of the roughly 900 companies that participated in this program received the Silver Recognition. (As of February 2018, no company has yet to be awarded Gold).  
In the future, the entire Group will continue to work to better health.



Group Companies Awarded the Silver in the Recognition Program (Tokyo Tatemono Co., Ltd.)

**Group Companies Awarded the Silver in the Recognition Program**

- Tokyo Tatemono Co., Ltd.
- Tokyo Fudosan Kanri Co., Ltd.
- E-State Online Co., Ltd.
- Nihon Parking Corporation
- Tokyo Tatemono Real Estate Sales Co., Ltd.
- Tokyo Tatemono Investment Advisors
- PRIME PLACE Co., Ltd.
- Parking Support Center Corporation

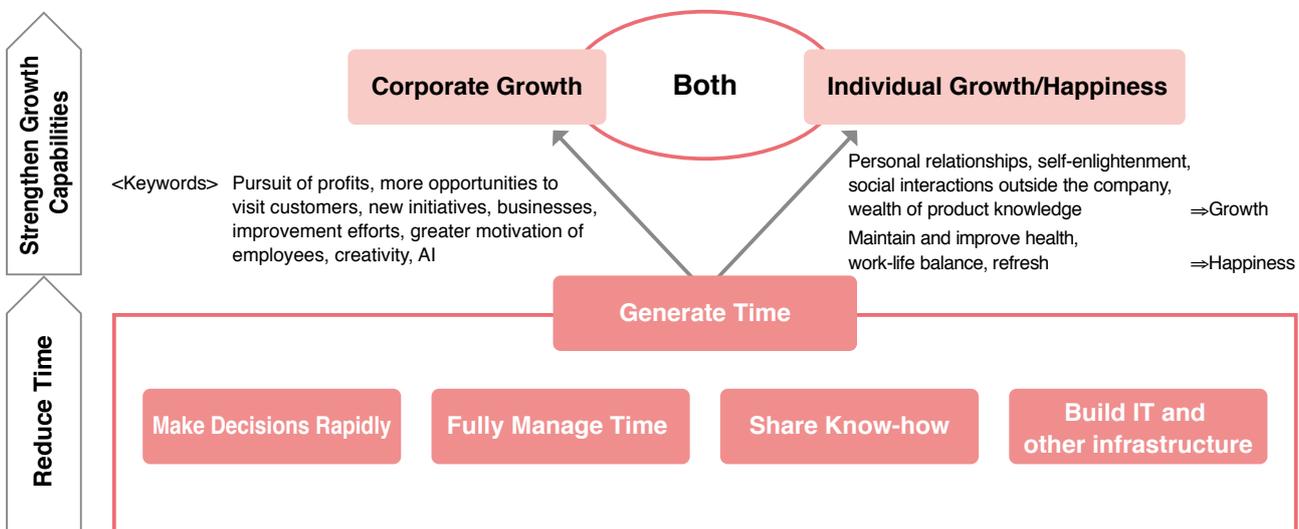
**Work-Style Innovation Initiatives**

Tokyo Tatemono has established a Work-Style Innovation Labor-Management Review Meeting with the labor union. This meeting committee structure anticipates the accomplishment of the Group medium-term business plan and growth thereafter and aims to further improve productivity and efficiency in business execution. We know conducting work-style innovation suitable to Tokyo Tatemono is necessary and have setup specific measures for debate between labor and management.

We started this activity in April 2017 and have shared the purpose and ideal goals of work-style innovation while having broad discussion between labor and management. Specific measures to improve productivity in the future will also be debated for adoption as company-wide initiatives.

[Tokyo Tatemono Work-Style Innovation Concepts]  
The ideal goal of work-style innovation is to bring about more time, such as more efficiency, to aid in corporate growth as well as individual growth and happiness.

**Image of Tokyo Tatemono Work-Style Innovation**

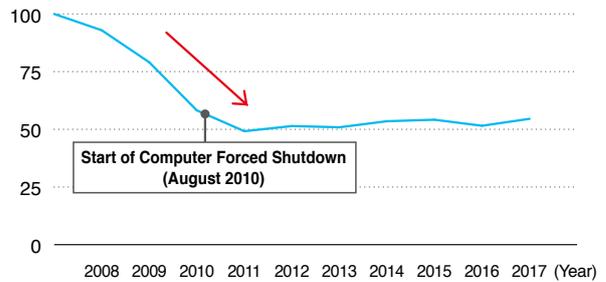


## Initiatives to Reduce Overtime

Tokyo Tatemono has continued measures to prevent overtime since 2008 from the perspectives of work-life balance and employee health management. We have adopted a system to shut down computers at the standard end of the working day in 2010 to control late-night working hours and prevent overwork. Furthermore, in departments long-working hours occur, we have implemented a framework to fight back by requiring direct supervisors to report improvement measures. Through this type of PDCA cycle, we are striving to reduce overtime (outside working hours) and have reduced overtime roughly 50% (compared to 2008) up until now. In this way, we are striving to effectively control long working hours from both hard and soft aspects, but we will also actively endeavor even in measures to raise awareness about work-style innovation in the future.

### Overtime Trends

(Overtime in the first half of 2008 right before the initiatives is designated as 100. The initiatives started from July 2008.)



## System to Maintain Careers with Flexibility to Life Events

Tokyo Tatemono has established various systems in which each and every employee can maintain their careers flexibility with life events so that employees that have diverse backgrounds can take an active role.

### ● Leave Program for Pregnancy, Childbirth, Child Rearing, and Nursing Care

The period of leave necessary for child rearing and nursing care differs according to the living environment of each and every employee. When employees are directly confronted by these transition periods, they may take up to three years of leave for the reason of child rearing and nursing care.

### ● Re-Employment Program for Employees who Resigned Due to Pregnancy, Childbirth, Child Rearing, or Nursing Care

We have established a re-employment program for employees who have resigned due to pregnancy, childbirth,

child rearing, or nursing care. As re-employment of employees who have resigned becomes systemized, the program is founded to actively help employees passionate about contributing to society through Tokyo Tatemono who have had to resign for unforeseen circumstances due to the ever-changing living environment to realize that desire.

### ● Program to Accompany Spouses Transferred Overseas

Opportunities to work abroad are growing regardless of gender in a backdrop of globalization and gender equality in employment. Tokyo Tatemono has established a program to recognize leave for up to three years so that employees who have a spouse transferred overseas can consider their family life if choosing to accompany their spouse and live overseas.

Employees who have resigned for this reason are also able to take advantage of the re-employment policy for employees who have resigned.

## Support of Club Activities

Tokyo Tatemono put in place approval and subsidy rules for club activities in 2014 and has introduced systems to support the outside activities of employees. Currently, we are subsidizing rental fees of activity venues and participation costs in competitions for the twelve clubs that have been approved. Employees of Group companies are also participating, and we are conducting Group-wide activities that go beyond corporate barriers. Furthermore, each club participates in athletic competitions held by local public organizations and actively communicates with the local community.



Music Club

## Human Resource Development

### Policy and Concept

Tokyo Tatemono actively strives to develop the skills of employees based on the belief that the employees themselves are the foundation of sustainable corporate growth.

We have revised various systems related to human resources in 2012 for the purpose of strengthening workplace building that creates added value and human resource development and innovating organizational culture with not only optimization of individuals and departments but also the entire organization. As part of the innovation, the Human Resource Policy was formulated and used as a foundation to build a human resource development system.

#### Human Resource Policy

1. Developing ideal human resource  
Ideal human resource: person that is trusted and that opens new avenue for the future
2. Realization of a satisfying working place where employees can feel their growth

### System (Human Resource Development System)

Tokyo Tatemono has set the first two years after joining the company as a development period, and it focuses on developing young employees by implementing a five-year collective training program that includes basic business training (logical thinking, presentation, etc.).

Furthermore, for the purpose of experiencing and gaining the broader knowledge required for employees of a comprehensive real estate company, human resources are first assigned to a department that is a contact point with customers and then rotated around to experience about three departments in the ten years after joining the company for new graduate recruits.

To strengthen the OJT development cycle in the workplace, training for managers who are the instructors and counseling system for new recruits have been implemented. The operation status of these initiatives is monitored

through regular interviews by the Personnel Division. We are providing enhanced programs such as volunteer type internal training and external dispatch training as well as multi-industry social training for mid- and higher level employees to cultivate a self-learning climate for employees.

Training for managers includes training to enhance daily line management such as training for evaluators and mental health and line care training, in addition to dispatching employees to external training agencies such as business schools to enhance their strategic perspective and management capabilities.

Furthermore, we support learning English and Chinese and dispatching employees to overseas training considering future global expansion.

### Index and Performance

#### Turnover Rate

	2013	2014	2015	2016	2017
Turnover rate (only for personal circumstances)	1.7%	1.9%	2.2%	1.4%	1.4%

### Collective Group Workshops for New Employees for Group Synergy

Tokyo Tatemono Group has positioned providing amazing value through innovative group synergy as one important strategy based on the Medium-term Business Plan to continue to be the leading choice.

We are conducting Group workshops for junior employees as one initiative to drive Group synergy. In 2017, we conducted camp-style introductory training (four days and

three nights) right after new graduates joined the company and held a Group athletic meet for the purpose of improving the power of unity after six months of employment.

Furthermore, we have prepared various collective training programs for the third year after joining the company to support the building of relationships able to drive Group synergy.

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### Group Athletic Meet for New Employees for Group Synergy

On November 14, 2017, we held the Tokyo Tatemono Group New Employee Athletic Meet to deepen interaction between new employees.

A total of approximately 100 new employees and persons in charge of personnel at each company from seven Group companies (Tokyo Tatemono, Tokyo Tatemono Real Estate Sales, Tokyo Real Estate Management, Tokyo Tatemono Amenity Support, Prime Place, Nihon Parking, and E-State Online) participated and a competition was held between teams made up of a mixture of people from each company.

New employees teamed up and worked together to deepen their mutual understanding. This facilitates better communication across the Group even in future business. These connections become a foundation, which we expect will aid in future Group synergy.

Representatives from the personnel departments at each company planned and operated the athletic meet that was held, which became a wonderful opportunity to think about improving Group synergy through human resource development.

## Overseas Training for Global Human Resource Development

Tokyo Tatemono conducts overseas training for the purpose of heightening a global mind as business expands more and more globally.

Junior and mid-career employees were dispatched to the west coast of America in 2017 to experience a different culture first-hand while engaging in training to nurture creativity and critical thinking by visiting local companies and conducting field work.

Furthermore, as a more practical program, we deployed interns to our local Chinese subsidiary and we conducted training where these interns were able to learn local culture and business trends through actual work experience. In the future, we will also support the growth of human resources who have a desire to take on the challenge of creating new value on a global scale regardless of country.